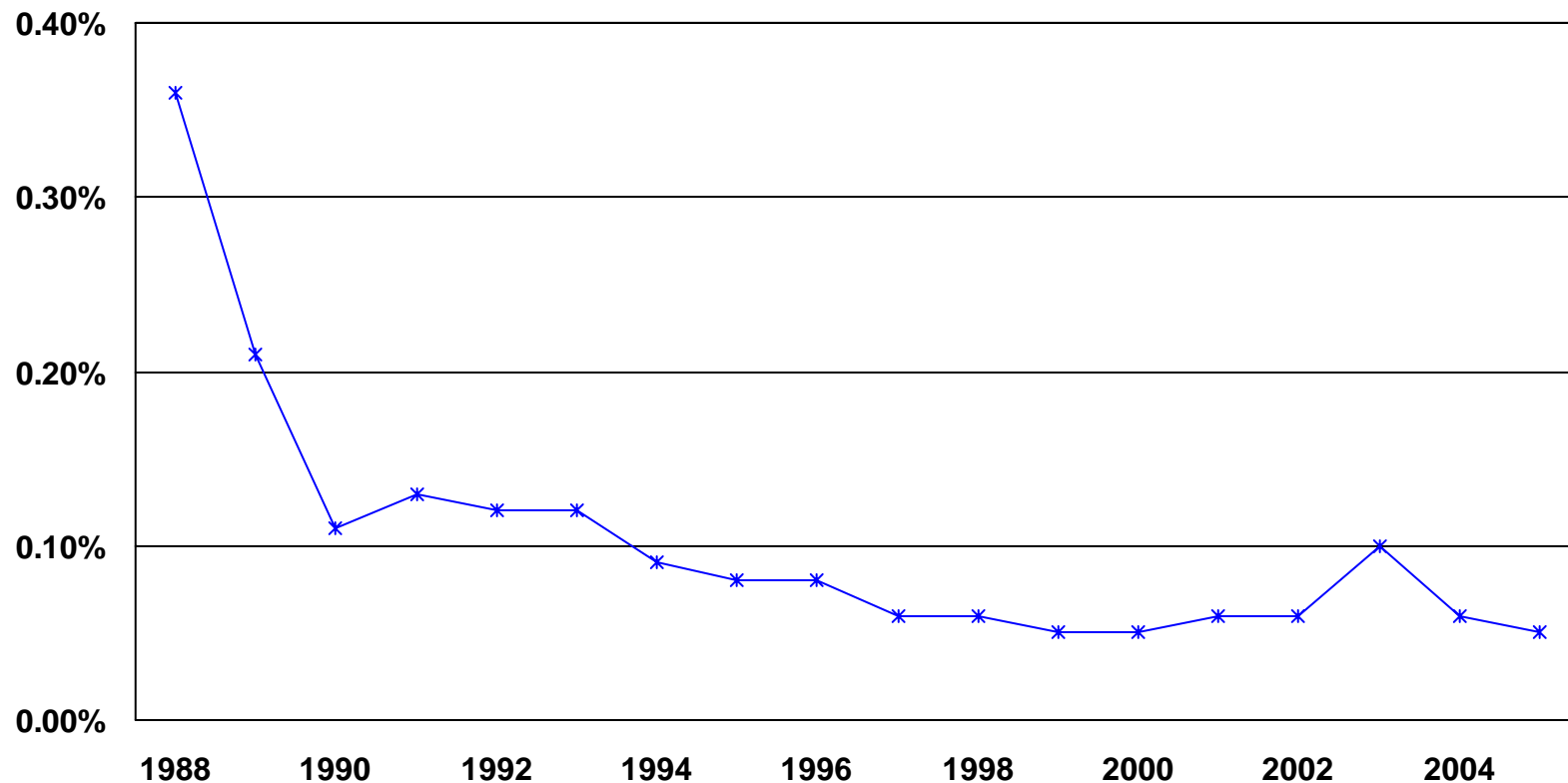




# TSP Expense Ratio

## 1988-2005



The TSP expense ratio is the annual amount of accrued TSP administrative expenses, after forfeitures, charged to participant accounts, expressed as a percent of the average assets for that year. It represents a blended ratio for all TSP funds.

Expense ratios may also be expressed in basis points. One basis point is 1/100<sup>th</sup> of one percent, or .01%. Therefore, the 2005 expense ratio of .05% is "5 basis points." Expressed either way, this means that expenses charged to each TSP account in 2005 were approximately 50 cents per \$1,000 of investment.